

## **Cornerstone Research Report: SEC Enforcement Activity Strong through First Half of FY 2017**

*Data show an increase in actions involving broker-dealers, issuer reporting and disclosure, and securities offerings.*

San Francisco, California ([PRWEB](#)) April 20, 2017 -- U.S. Securities and Exchange Commission enforcement activity remained elevated through the first half of fiscal year 2017, according to new research from Cornerstone Research. The data show an increase in actions involving broker-dealers, issuer reporting and disclosure, and securities offerings.

According to [SEC Enforcement Activity—First Half FY 2017 Update](#), the SEC filed 334 enforcement actions during the first half of FY 2017, down from 372 filings during the same period in FY 2016. Most of the decline can be attributed to a decrease in actions against delinquent filers. Excluding those actions, there were 299 actions in the first half of FY 2017—virtually unchanged from the same period last fiscal year.

“In the face of uncertainty brought on by changes in SEC leadership and the new administration, enforcement activity continued last year’s heightened pace,” said [David Marcus](#), senior vice president at Cornerstone Research. “In addition, despite critique and court challenges to the administrative proceeding forum, the commission continued to file the vast majority of its actions—80 percent—as administrative proceedings rather than civil actions.”

A new proprietary analysis by Cornerstone Research uses advanced textual analytics to categorize enforcement actions by allegation type. According to this research, the number of cases involving broker-dealers, issuer reporting and disclosure, and securities offerings increased during the first half of FY 2017:

- Actions against broker-dealers increased 20 percent.
- Actions related to issuer reporting and disclosure jumped 34 percent.
- Actions involving securities offerings rose 34 percent.

These increases were accompanied by a 50 percent decline in actions against delinquent filers—only 35 were filed during the first half of FY 2017, compared to 70 in the first half of the previous fiscal year. Actions involving allegations of insider trading and Foreign Corrupt Practices Act (FCPA) violations also decreased.

For detailed information on SEC actions and settlements involving public companies and their subsidiaries, please visit the [Securities Enforcement Empirical Database](#) (SEED). SEED is a publicly available, searchable database created by the NYU Pollack Center for Law & Business in cooperation with [Cornerstone Research](#).

### About Cornerstone Research

Cornerstone Research provides economic and financial consulting and expert testimony in all phases of complex litigation and regulatory proceedings. The firm works with an extensive network of prominent faculty and industry practitioners to identify the best-qualified expert for each assignment. Cornerstone Research has earned a reputation for consistent high quality and effectiveness by delivering rigorous, state-of-the-art analysis for over 25 years. The firm has 700 staff and offices in Boston, Chicago, London, Los Angeles, New York, San Francisco, Silicon Valley, and Washington. Please visit Cornerstone Research’s [website](#) for more information



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